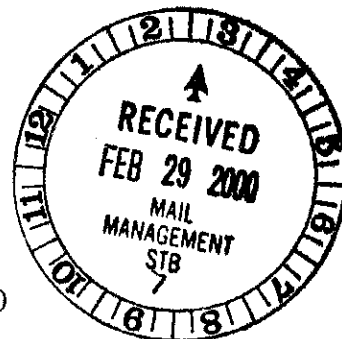


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Unimin Corporation  
258 Elm Street, New Canaan, CT 06840  
Phone: 203-966-8880 Telex: 99-6355  
Fax: 203-966-3453 or 203-972-1870  
Legal Department Direct Fax: 203-966-1977



February 29, 2000

**BY HAND**

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

ENTERED  
Office of the Secretary

FEB 29 2000

Part of  
Public Record

Re: STB Ex Parte No. 582, Public Views on Major Rail Consolidations

Dear Secretary Williams:

The Surface Transportation Board (the "Board") has invited interested parties to participate in public hearings regarding the impact of major rail consolidations on the North America railroad industry. By decision served January 24, 2000, the Surface Transportation Board (the "Board") stated that "[a]ny person wishing to speak at the hearing must file with the Board a written notice of intent to participate...by February 8, 2000" UNIMIN Corporation ("UNIMIN"), which does not wish to speak at the hearing, did not file a notice of intent to participate. However, UNIMIN does wish to file written comments in this proceeding.

To the extent that a notice of intent to participate was required for parties submitting only written comments in this proceeding, UNIMIN respectfully requests leave to file the enclosed comments. The Board's January decision in this proceeding provides that written comments must be filed by February 29, 2000. Because UNIMIN is timely submitting its written comments, no party will be prejudiced by the Board's acceptance of this filing.

In addition, acceptance of UNIMIN's written comments will further the purpose of this proceeding. In its January decision, the Board stated that it wished "to explore public and, in particular, *rail shipper and other user views* on the timing of any proposed large railroad consolidation" (emphasis added). UNIMIN is a shipper that has facilities located throughout North America and that in 1999 shipped more than 6.75 million tons of bulk commodities by rail. Thus, UNIMIN's written comments will contribute to a more complete record of the views of shipper and users regarding this very important issue.

Glass Sands • Frac Sands • Foundry Sands • Foundry Customix • Ground Silica • Feldspar • Nepheline Syenite  
High Purity Quartz • Microcrystalline Silica • Dolomite • Olivine • Southern Bentonite • Specialty Sands

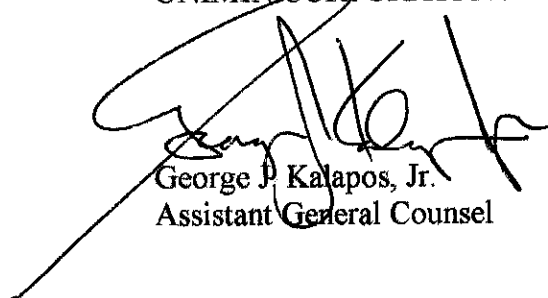
February 29, 2000

Enclosed for filing in the above-referenced proceeding are an original and 10 copies of the Verified Statement of Louis R. Mastandrea, Vice President of Distribution for UNIMIN. Also enclosed is a 3.5-inch disk containing this filing formatted in Word Perfect.

Please acknowledge receipt of this filing by date-stamping the enclosed acknowledgment copy and returning it to our messenger.

Very truly yours,

UNIMIN CORPORATION

A handwritten signature in black ink, appearing to read "George P. Kalapos, Jr.", is written over the typed name and title. The signature is stylized with a large initial "G" and a long horizontal stroke extending to the left.

George P. Kalapos, Jr.  
Assistant General Counsel

## VERIFIED STATEMENT

My name is Louis R. Mastandrea, Vice President of Distribution for UNIMIN Corporation with offices located at 258 Elm Street, New Canaan, Connecticut 06840. UNIMIN Corporation is in the business of industrial mining and mineral processing. It has facilities located throughout North America and utilizes all forms of transportation as a means of servicing our customers. In 1999 our company shipped in excess of 15 million tons of product of which, in excess of 45% was shipped via rail.

UNIMIN Corporation has a heavy dependency on rail transportation. Like many other industries, we have segments of our businesses which are solely dependent upon rail transportation as a means of feasibly meeting market expectations. The current North American rail transportation network is at best, unreliable and from the standpoint of service, disappoints, as much as it achieves. In my view, part of the reason for this unreliable level of service has been the incessant rail merger activity which has been taking place in recent years.

UNIMIN has had negative experiences with all of the rail mergers which have taken place in recent years. Our experiences have indicated that almost without exception, these mergers have produced severe service degradation, leaving shippers with residual impacts of poor performance by the carriers as well as increased costs. All recent mergers, have yet to fulfill the promises outlined in their initial merger applications. History indicates that no matter how much planning, i.e., see CSX, Norfolk Southern, and Conrail fiasco, customers are often left to fend for themselves when the integration of these systems fails to meet expectations.

North America's current rail systems are too large. It is clear that from an operating perspective, the carriers struggle mightily in their quest for who will be "North America's largest railroad of the week". Bigger has not proven to be better. Railroads have become too cumbersome to do business with and have yet to deliver tangible benefits, much less value added benefits.

Specifically, the BNSF-CN potential amalgamation would result in a further reduction of rail services for the shipping community. Railroads in today's world are increasingly interdependent upon each other. When one has a problem, a colossal negative domino effect takes place which impacts our rail network on both a regional and national level. Why do we need more of this ?

Clearly, should this new Goliath system be approved, more merger applications will be before this Board. History and common sense indicates that. The current group of carriers have not developed any of the merger synergies which over time, may produce a stabilization of service and then hopefully, some level of service enhancements.

Introducing more merger activity into the mix doesn't provide any sense of comfort to those who utilize rail transportation.

At some point this Board needs to address what makes sense operationally, and not necessarily just financially when railroads seek to become larger. This has been pointedly absent in the past.. Anyone can do a deal, not everyone, as history has shown, can operate a significant rail system.

UNIMIN Corporation submits that this proposed transaction and any other future transactions impacting our national rail system be tabled. Over time, it is likely that the giant rail systems that exist now will once again be segmented, segmented into regional entities that make operating sense for all involved. We can only hope that this occurs sooner rather than later.

### VERIFICATION

I, Louis R. Mastandrea, certify under penalty of perjury that the foregoing Verified Statement is true and correct to the best of my knowledge, information and belief. Further, I certify that I am qualified and authorized to file this Verified Statement.

  
\_\_\_\_\_  
Louis R. Mastandrea

Dated: February 28, 2000